

Credit: Deposit Ratio in Kerala

• 835. **SHRI A. CHARLES:**
SHRI K.P. UNNIKRISHNAN:

Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has issued any guidelines to the Nationalised Banks and the Scheduled Banks in respect of the credit-deposit ratio in the States;

(b) if so, the details thereof;

(c) the credit-deposit ratio in Kerala vis-a-vis Tamil Nadu, Karnataka and Andhra Pradesh during each of the last three years;

(d) whether there is any short-fall and if

so, the reasons therefor; and

(e) the steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) and (b) All the public sector banks have been advised in June, 1980 by Reserve Bank of India (RBI) to achieve a Credit Deposit Ratio of 60% in respect of their rural and semi-urban branches separately at all India level. RBI has not issued any guidelines to the banks regarding achieving of the above C:D Ratio for different States.

(c) Credit Deposit Ratio of Commercial Banks as at the last Friday of March, 1989, 1990, 1991 in respect of Kerala, Tamil Nadu Karnataka and Andhra Pradesh is furnished below:-

Credit Deposit Ratio (% age)

Name of State	March, 89	March, 90	March, 91
Kerala	65.2	64.0	59.1
Tamil Nadu101.2	99.4	100.5	
Karnataka97.1	91.0	85.8	
Andhra Pradesh	86.0	87.1	82.6

(d) and (e). The Credit Deposit Ratio is not the sole indicator of role being played by banks in the economic development of a particular State/Region. The actual level of credit in relation to locally mobilised deposits in a particular State or Region depends upon the credit absorption capacity and level of economic activities depending upon the availability of infrastructural facilities like Transport and power, the proximity to source of raw material, access to marketing, local entrepreneurship, etc. Banks have been advised by RBI to ensure that wide regional disparities among various states in credit

deployment are avoided and effective steps are taken to increase the flow of credit to all productive and identified viable proposals in different areas. The matter is also monitored by State Level Bankers Committee (SLBC), State Government and RBI on regular basis.

Widening of National Highways

• 836. **DR. VISWANATHAM KANITHI:**
Will the Minister of SURFACE TRANSPORT be pleased to state:

(a) whether the Government propose to